Strategic Stock of Petroleum

†*191. SHRI P.K. MAHESWARI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have withdrawn the scheme of setting up of a strategic stock of petroleum on the pattern of America and China;

(b) if so, the details thereof;

(c) whether Government have also suspended the scheme of raising price stabilization fund of petroleum products; and

(d) the reasons for suspending the both schemes?

THE MINISTER OF PETROLUEM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Government propose to build strategic storage of crude oil for storing 5 million metric tonne of crude oil. The proposed storage would be in addition to the existing storage of crude oil and petroleum products with the oil companies and would provide an emergency response mechanism to any sudden or severe oil supply disruptions.

(c) and (d) Government have approved a Price Band Method of pricing for petrol and diesel, which has an inbuilt mechanism to allow variations in product prices in tandem with import parity prices within a floor and ceiling price. As the price band itself takes care of the problems which would otherwise have had to be addressed by a stabilization mechanism, the stabilization fund proposal is not being pursued for the moment in the expectation that the prices band mechanism would be restored once international oil prices stabilize.

Irrigation Benefit Programme

†*193. DR. PRABHA THAKUR: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are considering to bring Rajasthan under special category of quick irrigation benefit programme like North-Eastern States, Jammu and Kashmir and Himachal Pradesh Keeping in view the circumstances of the State like two third area being the Desert, possibility drought area, long international border along Pakistan and the State affected with natural calamities; and

(b) if so, the steps being taken by Government in this regard?

†Original notice of the question was received in Hindi.